

**Testimony
John Elsesser
Town Manager
Town of Coventry
Before the Labor & Public Employees Committee
February 24, 2015**

Re: Adjusting Prevailing Wage Thresholds - SB-113, SB-114, SB-180, SB-181, HB-5071, HB-5072, HB-5073, HB-5074, HB-5075, HB-5076, HB-5078, HB-5079, HB-5208, HB-5209, HB-5440, HB-5441, HB-5510, HB-5511, HB-5515, HB-5516, HB-5613, HB-6246, HB-6250, HB-6251, HB-6650, and HB-6666.

Senator Winfield, Rep. Tercyak, Sen. Hwang, Rep. Rutigliano and Members of the Labor Committee:

Thank you for the opportunity to comment in support of the numerous bills introduced this session to adjust the prevailing wage thresholds. We certainly appreciate the efforts of lawmakers to address this issue.

Adjusting the prevailing wage thresholds to bring them in line with increased costs associated with municipal projects will help our community stretch its capital budget further.

Governor Malloy's proposed budget provides level-funding for municipal aid and we are very appreciative of his continued efforts to keep towns whole. However, municipal costs have increased substantially in recent years, putting considerable strain on our local budgets and on our property taxpayers. In fact, recent data confirms that Connecticut is more dependent on property taxes than any other state in the nation.

Connecticut must provide towns with relief from unfunded mandates that drive up local costs and property tax levels. Each year, towns throughout Connecticut indicate that the prevailing wage laws are one of the biggest municipal cost drivers. The added costs associated with prevailing wage laws make it difficult to move forward with capital projects that would benefit the community and local economy. Additionally small local businesses have difficulty completing the complicated paperwork.

Unfortunately, the prevailing wage thresholds have not been adjusted since 1991 even though construction costs have increased significantly in this timeframe. As a result, the cost of small municipal projects and building maintenance are artificially inflated. The thresholds should be adjusted to reflect market realities. This will help launch more projects and ensure that needed maintenance projects are not deferred.

Thank you for the opportunity to comment in support of adjusting the prevailing wage thresholds.